

SSCI

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Honorable Daniel K. Inouye, Chairman  
Select Committee on Intelligence  
United States Senate  
Washington, D. C. 20510

Dear Mr. Chairman:

H.R. 13615 "To amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes," which passed the House on 13 September is now before the Committee for consideration. I urge prompt Committee action to allow passage in the 94th Congress of this most urgently needed legislation.

Title I of H.R. 13615 improves the financial soundness of the CIA Retirement Fund by adopting procedures approved by the 91st Congress for the Civil Service and Foreign Service retirement systems and for the Foreign Service retirement system in the 94th Congress. There is one important difference in that the Agency's funding procedures provide for annual appropriation authority rather than the indefinite permanent authority for the Civil Service and Foreign Service retirement systems. Under Title I, an annual appropriation, beginning fiscal year 1977, would be authorized under a formula to cover outlays not met by contributions. Based on the President's original budget request for fiscal year 1977, the Congress has approved \$28.3 million for this purpose in the Defense Appropriations Act for fiscal year 1977, subject to the passage of authorizing legislation.

Title II of H.R. 13615 conforms the CIA Retirement Act to changes in the Civil Service retirement system to establish parity between the two systems. These include surviving spouse annuities and benefits; definition of surviving child; increase in annuities to certain retirees prior to 20 October 1969; establishment of a minimum annuity; retirement credit for separation for work injuries; retirement credit as military service for certain service in the Public Health Service or the Coast and Geodetic Survey; disability annuities; waiver of payments in certain instances; and changing of a beneficiary.



Title II also proposes an administrative procedure, by Executive order, to adopt for the Agency system future changes in the Civil Service system which are substantially identical to provisions in the Agency system. This was approved for the Foreign Service retirement system in Section 503 of Public Law 94-350. The Congress, may of course still effect any future changes in the Agency system.

Enclosed is a Sectional Analysis of H.R. 13615 which sets forth in detail each section of the bill and a cost estimate as submitted originally by the Agency to the Congress.

Needless to say, your efforts in this matter will be most appreciated by all present and future retirees of the Agency.

Sincerely,

**SIGNED**

George Bush  
Director

**Enclosures**

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